

STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF MORTGAGE LENDING

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In re:
Alderus Funding & Investments, LLC,
Respondent.

NOTICE OF INTENT TO IMPOSE FINE
and NOTICE OF RIGHT TO REQUEST
HEARING

The licensing and regulation of mortgage brokers and mortgage agents in the State of Nevada is governed by Chapter 645B of the Nevada Revised Statutes (hereinafter "NRS") and Chapter 645B of the Nevada Administrative Code (hereinafter "NAC"). The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter the "Division") has the general duty to exercise supervision and control over mortgage brokers and mortgage brokering activity. See, NRS 645B.060(1), NRS 645B.670 and NRS 645B.690, as amended. Pursuant to that authority, the Division makes the following Factual Allegations, Violations of Law, and Order as follows:

FACTUAL ALLEGATIONS

1. Based upon information and belief, Respondent, Alderus Funding & Investments, LLC, (hereinafter "Respondent"), is a corporation organized and existing under the laws of the State of Nevada since on or about October 13, 2005. Currently, Alderus' status with the Nevada Secretary of State is "active."

2. On approximately December 22, 2005, Respondent was issued a mortgage broker license (License No. 334) by the Division pursuant to Chapter 645B of NRS.

3. At all relevant times herein mentioned, Respondent operated within the State of Nevada as a licensed mortgage broker. The Division currently classifies Respondent's license

1 as "active license." All factual allegations herein occurred while Respondent held an active
2 mortgage broker license.

3 4. On approximately June 16, 2004, Melissa LoRusso was issued a mortgage
4 agent license (License No. 25594) by the Division pursuant to Chapter 645B of NRS.

5 5. On approximately September 22, 2005, Miguel Lopez was issued a mortgage
6 agent license (License No. 33057) by the Division pursuant to Chapter 645B of NRS.

7 6. Pursuant to NRS 645B.0125, as it existed at the time of the violations referenced
8 herein, a "mortgage agent" is defined, in part, as "...a natural person who... is an employee or
9 independent contractor of a mortgage broker who is required to be licensed pursuant to this
10 chapter..." and "...is authorized by the mortgage broker to engage in, on behalf of the mortgage
11 broker, any activity that would require the person, if he were not an employee or independent
12 contractor of the mortgage broker, to be licensed as a mortgage broker pursuant to this
13 chapter..." See, NRS 645B.0125 (1)(a)(b).

14 7. Pursuant to NRS 645B.450, a person "...licensed as a mortgage agent pursuant
15 to the provisions of NRS 645B.410 may not be associated with or employed by more than one
16 mortgage broker at the same time." See NRS 645B.450(1) and see NAC 645B.300(2).

17 8. Pursuant to NRS 645B.060, subject to the administrative control of the director
18 of the Department of Business and Industry, the Commissioner shall, with limited exception,
19 "conduct an annual examination of each mortgage broker doing business in this State...."
20 See, NRS 645B.060(2)(d).

21 9. On August 7, 2009, the Division conducted a regularly scheduled examination of
22 Respondent and determined, among other things that:

23 a. On December 26, 2008 and January 19, 2009, respectively, mortgage agent
24 Melissa LoRusso originated loans to borrowers GZ, SBL, and MDM, respectively, and
25 engaged in mortgage agent activity in Nevada on behalf of Respondent; and
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Respondent when she was not associated with or employed by Respondent, in violation of NRS 645B.450(1) and NAC 645B.300.

ORDER

NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS, pursuant to NRS 645B.750, that upon written application to the Division within **twenty (20) days** of the date of this Order, Respondent shall be entitled to a hearing with regards to the contents of this Order referenced below. At that hearing the Division will seek:

a. The imposition of an administrative fine against Respondent in the amount of Five Thousand Dollars and No Cents (\$5,000.00), payable to the Division on account of Respondent's multiple violations of Chapter 645B of NRS, the Division's investigative costs in the amount of One Hundred Eighty Dollars and No Cents (\$180.00) as well as the Division's attorney's fees, if any, incurred herein, each to be proven at the hearing; and

b. Respondent's payment, in full, of the administrative fine, costs and fees to the Division within **thirty (30) days** of entry of the Final Order.

Should Respondent request a hearing, Respondent is advised of the following:

a) Respondent is entitled to be represented by legal counsel at its own cost and expense; b) At any hearing Respondent shall be entitled to respond and to present evidence and argument on all issues involved; c) Requests may be made to the Commissioner for the issuance of subpoenas; however, the Commissioner may request the proposed testimony of any such person prior to the issuance of the subpoena; and d) Unless precluded by law, the parties may agree to an informal resolution or settlement prior to any hearing.

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1 Should Respondent not request a hearing within **twenty (20) days** of the date of this
2 Order, the Division will enter a Final Order in this matter against Respondent, as otherwise
3 required by law.

4 Dated this 10th day of May, 2010.

5 State of Nevada
6 Department of Business and Industry
7 Division of Mortgage Lending

8 By: Joseph L. Waltuch
9 Joseph L. Waltuch, Commissioner
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CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry,
Division of Mortgage Lending, and that on , May 11, 2010, I deposited in the U.S. mail, postage
prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of
the foregoing, NOTICE OF INTENT TO IMPOSE FINE AND NOTICE OF RIGHT TO
REQUEST HEARING for ALDERUS FUNDING & INVESTMENTS, LLC, addressed as
follows:

Coby Baker
Alderus Funding & Investments
500 N. Rainbow Blvd., Suite 110
Las Vegas, NV 89107

Certified Receipt Number: 7006 2760 0000 0876 3749

DATED this 10th day of May, 2010

By: *Susan Slack*
Employee of the Division